



# Legislative Background Brief

for the  
Economic Affairs Interim Committee

October 2011

## Economic Development Advisory Council

*Prepared by Pat Murdo, Legislative Research Analyst*

**Statutorily Established** - 2-15-1820, MCA. Administratively attached to the Department of Commerce.

**Purposes:**

- Advise the Department of Commerce regarding distribution of funds to certified regional development corporations (CRDCs) for business development and what administrative expenses are allowed for the CRDCs.
- Advise the governor and the Department of Commerce regarding economic development in Montana.
- Advise the Department of Commerce on microbusiness financing and certified microbusiness development corporation policies, creation, operation, and maintenance.
- Encourage CRDCs to promote economic development on Indian reservations in their area.

**Funds available for distribution by the Economic Development Advisory Council**

- \$425,000 annually from coal severance tax collections under 15-35-108, MCA, and provided to the Department of Commerce for redistribution for certified regional development corporations. The allocations are slated to end July 1, 2019.

**Budget, FY 2012-FY2013**

	<b>FY 2013 FTE</b>	<b>Estimated Expenditures</b>
Montana Economic Development Council	part of Microbusiness Program	\$1,500 to \$3,000 each meeting (roughly 1 meeting a year)

Source: Legislative Fiscal Division

**Appointments:** Up to 19 members allowed, with up to 15 appointed by the Governor. Four legislators are to be appointed of which two are to be from the House, appointed by the Speaker of the House, and two from the Senate appointed by the Committee on Committees. The Governor's appointees serve staggered 3-year terms. Legislators serve until the first day of the next regular legislative session. The chief business development officer is the statutorily named presiding officer. The director of the Department of Commerce also is a statutory appointee.

<b>Members/Address</b>	<b>Representing</b>	<b>Term Expires</b>
Evan Barrett	Chief Business Development Officer	statutory
Dore Schwinden	Dept of Commerce director	statutory
Richard Sangrey, Chippewa Cree, Box Elder	Tribal Government member representing tribal economic development organization	7/23/2012
Curt Starr, Billings	Public representative	7/23/2011
Liz Marchi, Polson	Public representative	7/23/2012

Sheila Hogan, Clancy	Public representative	7/23/2011
Jim Smitham, Butte	Public representative	7/23/2010
Wade Sikorski, Baker	Public representative	7/23/2012
Joe Menicucci, Belgrade	Public representative	7/23/2012
Paul Tuss, Havre	Bear Paw Development Corp.	7/23/2010
Kathie Bailey, Lewistown	Snowy Mountain Development Corp.	7/23/2011
Linda Twitchell, Wolf Point	Great Northern Development Corp.	7/23/2011
Jim Atchison, Colstrip	Southeast Montana Development Corp.	7/23/2012
Corlene Martin, Choteau	Public representative	7/23/2010
Sen. Ed Buttrey, Great Falls	Senate Majority Party	~ 1/2/2013
Sen. Gene Vuckovich, Anaconda	Senate Minority Party	~ 1/2/2013
Rep. Ed Greef, Florence	House Majority Party	~ 1/2/2013
Rep. Bill McChesney, Miles City	House Minority Party	~ 1/2/2013

#### **Topics of Interest**

- Is the Economic Development Advisory Council needed or could the Department of Commerce provide the grant review and other duties of the council?
- What is the value of the council to the state?

#### **2011 Legislation Affecting Economic Development Advisory Council**

- SE 168, by Sen. Kendall Van Dyk, proposed eliminating the Economic Development Advisory Council and transferring its duties to the Department of Commerce. Tabled in House Business and Labor.

#### **Audits**

- None